

Statement Regarding
Agreement between the United States and Nepal
Regarding Military Assistance Under the Foreign Assistance
Act of 1961, as Amended, and the Furnishing of Defense
Articles, Related Training and Other Defense Services
From the United States to Nepal.
Effectuated by Exchange of Notes at Kathmandu
September 19, 1994 and January 25, 1995.

RELEASE IN FULL

This Agreement serves to confirm the acceptance by the recipient government of the conditions regarding the furnishing by grant or lease of defense articles, related training, and other defense services provided by the United States Government.

Section 505(a) of the Foreign Assistance Act of 1961, as amended, requires that, as a condition of eligibility, the country concerned shall have agreed to certain terms and conditions governing the use, transfer, security, and net proceeds of sale received under this chapter. The Agreement followed discussions between representatives of both Governments. The Agreement is required before the furnishing or lease of defense articles, related training, or other defense services may be initiated.

Section 505 of the FAA, as amended, provides for conditions of eligibility as they relate to furnishing defense articles or related training or defense services to a country on a grant basis. Prior to the United States providing grant defense articles to the Government of Nepal and pursuant to section 505 of the FAA, as amended, the United States must obtain the necessary assurances pertaining to end-use, security, retransfer assurances, and net proceeds from the sale of such defense articles.